

# 2017-2019 BUDGET

## WORKING AND WINNING FOR WISCONSIN



### MORE MONEY FOR SCHOOLS & LOWER PROPERTY TAXES

*Wisconsin's Reform Dividend is here.*

#### 168X LARGER

Our rainy day fund is 168 times larger than when we took office.

#### TOP 10 STATE

We are a top 10 state for high school graduation rate, labor force participation rate, health care quality, business, and employment for individuals with disabilities.

#### \$200 MILLION

Our budget is projected to end fiscal year 2018-19 with a \$200 million surplus and revenues that are higher than expected.

- Our common-sense, conservative reforms brought us to the point where we have a significantly better budget outlook for the state. This allows us to make historic investments in our priorities, like K-12 education, while providing property tax relief.
- When Governor Walker first took office, Wisconsin was plagued by billion-dollar deficits, double digit tax increases, and high unemployment. Today, years of fiscally responsible budgeting and bold, commonsense reforms have led to surpluses, billions in tax cuts, and some of the lowest unemployment levels this century.



### #WIWORKING

*We are working and winning for Wisconsin.*

#### TOP 10 STATE

According to *Chief Executive Magazine*, we are a top 10 state for business – up from 41<sup>st</sup> place in 2010.

#### 17-YEAR LOW

Wisconsin's unemployment rate hit a 17-year low this year and we also reached the highest level of employment in our state's history.

#### 12<sup>TH</sup> BEST

Our private sector average weekly wage growth over the past six years is 12<sup>th</sup> best in the nation.

- Not only are our finances under control, but our state's bonding is being maintained at a reasonably low level. Total new bonding authorized in the last two budgets will be the lowest back-to-back in 20 years. We are also paying off debt faster than we are authorizing new.
- Wisconsin is Open for Business. Our state's business-friendly climate is attracting family-supporting job providers statewide:
  - U.S. Venture – Appleton
  - Foxconn - Southeastern, WI
  - Haribo - Kenosha
  - The Little Potato Company - DeForest
  - Dollar General - Janesville
  - MilliporeSigma (Merck KGaA) - Sheboygan Falls
  - Dynamic Recycling - Onalaska
  - Kage Innovation Corp - Oshkosh
  - Great Lakes Cheese – Wausau
  - Mills Fleet Farm – Chippewa Falls

## #STUDENTSUCCESS

*We are making historic investments in K-12 education.*

### **\$11.5 BILLION**

Wisconsin's total state investment in K-12 education is \$11.5 billion – an all-time high.

### **\$5 MILLION**

Wisconsin Technical Colleges will receive \$5 million to help train students to fill high need fields.

### **\$110 MILLION**

The budget increases University of Wisconsin System funding by more than \$110 million.

- In total, K-12 schools will receive a \$636 million increase in general and categorical aids which is the largest in a decade.
- We will increase per-pupil state aid by \$505 million, providing a \$200 per student increase in the first year and an additional \$204 increase per student in the second year of the budget.
- UW System in-state undergraduates will be protected from tuition increases for the sixth year in a row through our continued freeze for another two years. The freeze will have cumulatively saved the average student \$6,311 over four years.
- Need-based financial assistance will rise to the highest levels in state history.
- Investments in broadband are increased by \$35.5 million over the biennium. A permanent Broadband Expansion Grant program will also be created to continue our efforts to extend broadband into underserved areas of the state.



## #ACCOUNTABLEGOV

*We continue to work towards more efficient and accountable government.*

### **\$3,000**

The typical homeowner has saved an estimated \$3,000 in cumulative property taxes, compared to the trend prior to 2010.

### **\$8 BILLION**

As existing reductions continue and proposed reductions take effect, Wisconsinites will receive \$8 billion in cumulative tax cuts over eight years ending in fiscal year 2018-19.

### **AA1**

In August, Wisconsin's bond rating was upgraded to Aa1 by Moody's for the first time since 1973.

- We are permanently eliminating the state portion on Wisconsin's property tax bill. As promised, property taxes on a median-valued home will be lower in 2018 than 2010.
- During the six years ending with fiscal year 2016-17, taxes have been cut by more than \$4.7 billion.
- We deleted onerous taxes, by exempting small businesses from \$74 million in taxes on machinery equipment.
- We provided \$86.9 million for local governments to repair roads, bridges, and potholes – the largest funding increase in 20 years.
- We are ensuring major projects such as I-39/90, USH 10-441, and Verona Road remain on schedule, enacted significant increases in safety and maintenance, and provided the lowest levels of bonding since 2001-03 without raising the gas tax.



## #REWARDINGWORK

*Welfare should be a trampoline, not a hammock. Our budget puts the emphasis on work.*

### **\$11.5 MILLION**

We allocated \$11.5 million to Wisconsin Fast Forward training grants to provide hands-on training and job experience.

### **\$1.4 MILLION**

Fab Lab technical assistance and incentive grants received \$1.4 million in funding to provide students with the experience they need to be successful.

### **\$2 MILLION**

Our budget provides \$2 million to Windows to Work and Vocational Training programs for ex-offenders.

- We seek to expand drug-testing requirements for FoodShare Employment and Training (FSET) participants.
- FSET Program changes will help thousands of Wisconsinites receive the opportunity to gain skills and employment.
- We are seeking to require able-bodied childless adults in the state's main Medicaid program BadgerCare, as well as able-bodied parents on food stamps with school aged children, to be working or receiving job training for 80 hours per month.
- The benefit cliff for child care subsidies were eliminated to remove barriers which are disincentives for working families to earn a raise or accept a promotion.